



February 20, 2015

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## SENATE BILL No. 447

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DIGEST OF SB 447 (Updated February 19, 2015 12:07 pm - DI 97)

**Citations Affected:** IC 30-2.

**Synopsis:** Management of funeral trust accounts. Provides that the bank, trust company, savings association, or credit union that receives the payments made by the settlor of a funeral trust may enter into a contract under which the settlor's account will be managed by a third party. Requires that the third party be an investment adviser registered with the United States Securities and Exchange Commission or with the Indiana securities commissioner. Requires an investment adviser managing a funeral trust settlor's account to comply with the Indiana Uniform Prudent Investor Act.

**Effective:** July 1, 2015.

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### Holdman

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January 12, 2015, read first time and referred to Committee on Insurance & Financial Institutions.

February 19, 2015, reported favorably — Do Pass.

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SB 447—LS 7396/DI 55





February 20, 2015

First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE BILL No. 447

A BILL FOR AN ACT to amend the Indiana Code concerning trusts and fiduciaries.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 30-2-10-8.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2015]: **Sec. 8.5. (a) The bank, trust company, savings association,**  
4 **or credit union that receives the payments made by a settlor under**  
5 **section 2 of this chapter may enter into a contract under which the**  
6 **account into which the settlor's payments are deposited is managed**  
7 **by a third party.**  
8       **(b) To manage the funds in a settlor's account under subsection**  
9 **(a), a third party must be:**  
10       **(1) an investment adviser registered with the United States**  
11 **Securities and Exchange Commission under the federal**  
12 **Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.); or**  
13 **(2) an investment adviser registered under IC 23-19-4.**  
14       **(c) In managing the funds in a settlor's account under**  
15 **subsection (a), an investment adviser shall comply in all respects**  
16 **with the Indiana Uniform Prudent Investor Act under**

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1      **IC 30-4-3.5-1(c)(3).**



## COMMITTEE REPORT

Madam President: The Senate Committee on Insurance & Financial Institutions, to which was referred Senate Bill No. 447, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 447 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 9, Nays 0

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